



THE ROLE OF FREE ECONOMIC ZONES IN THE DEVELOPMENT OF THE NATIONAL ECONOMY

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Article history:		Abstract:
Received: 12 th November 2021		In the current context of globalization, free economic zones play a special role in increasing the competitiveness of our national economy. This article provides a brief overview of the establishment of free economic zones in our country and economic zones in the world. The basis of the research methods is the work carried out in our country, which is to increase the income of the population through the development of free economic zones and increase GDP. At present, the country is focused on increasing GDP through the development of free economic zones. In accordance with the decree of the President of the Republic of Uzbekistan Shabvkhat Mirziyoyev dated October 26, 2016, the area was renamed "Angren" free economic zone and its opportunities and benefits were expanded. At present, the following manufacturing enterprises operate in the Angren Free Economic Zone. The company "Poly Technology" produces conveyor belts, agricultural machinery and tires. With the commissioning of the Angren sugar plant, it is possible to produce 300,000 tons of finished products a year. The Angren Pipe Plant specializes in the production of 8,000 tons of copper per year for electrical engineering, chemical sabotage, and various sectors of the economy. Many developed countries today need to explore more comprehensive ways to create and improve free economic zones. In this way, we can help the whole world to develop equally. Through the development of free economic zones, we can further improve the well-being of the population and develop the service sector.
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INTRODUCTION

In order to increase the economic stability of countries, the main focus should be on the efficient use of economic resources and industrial potential, attracting foreign investment and exports. So, today in our country the importance of free economic zones, industrial production zones, free trade zones, research and production parks and complex zones is high. A lot of work is being done in our country to attract foreign investment and create free economic zones. On April 25, 1996, the country's parliament adopted the Law of the Republic of Uzbekistan "On Free Economic Zones." Decree of the First President of the Republic of Uzbekistan No. PF-4059 of December 2, 2008 "On the establishment of a free economic zone in Navoi region", President of the Republic of Uzbekistan No. PF-4853 of October 26, 2016 Decree of the Cabinet of Ministers of the Republic of Uzbekistan dated January 27, 2009 No. 21 "On additional measures to activate and expand the activities of free economic zones" Resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated August 26, 2013 No 234 "On approval of the Regulations on the procedure for allocating land plots to participants of free economic zones", Resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated December 29, 2016 No 418 "On measures to further improve the activities and increase the efficiency of free economic zones." In recent years, the establishment of free economic zones is bearing fruit.

METHODS.

The basis of the research methods is the work carried out in our country to increase GDP. In the analysis process, comparison, systematic analysis methods were used. Based on the statistics, the indicators of GDP growth are considered.

RESULTS AND DISCUSSIONS.

It is important to create favorable conditions for attracting foreign investment, especially direct investment, to produce products that meet world standards and are in demand in world markets. Currently, free economic zones play a leading role in fulfilling these tasks. A free economic zone is a set of economic boundaries and separate legal regimes established in accordance with intergovernmental agreements or special laws to attract domestic and foreign capital, advanced technology and management experience for the rapid socio-economic development of the region. certain areas where preferential tax, financial and legal conditions are introduced for foreign economic activity.

Free economic zones were first established in the second half of the twentieth century. Free economic zones are developing rapidly today. If we look at the world experience of establishing free economic zones, we can show China's policy. In 1978, China launched an "open door policy." To date, China has achieved tremendous economic growth. Free economic zones play a key role in optimizing China's production costs, increasing efficiency and thus ensuring rapid economic growth.

The main objectives of the establishment of free economic zones are:

- acceleration and expansion of foreign economic activity;
- active attraction of foreign and domestic investments in the economy;
- increasing the competitiveness of national production and its economic efficiency;
- increasing foreign exchange earnings in the national economy;
- creation of new jobs, increase of employment;
- training and training of personnel in accordance with international standards;
- Accelerated use of the latest foreign and domestic technologies;
- Improving the efficiency of existing production capacity. The goals of the ECHR in the United States, China, and the Russian Federation are:

U.S. State	<ul style="list-style-type: none"> - national industrial competitiveness in the world market by expanding economic activity in designated areas (separate - depressed old industrial zones or areas of industrial sectors with separate enterprises); - reducing unemployment
Chinese state	<ul style="list-style-type: none"> - experimenting with different political methods; - Attracting foreign capital, advanced technologies; - increase in foreign exchange earnings; - creation of additional jobs; - Encourage competition between regions.
The Russian state	<ul style="list-style-type: none"> - development of processing, high-tech sectors of the economy, tourism, sanatoriums, ports and transport infrastructure; - development of technologies and commercialization of their results; - Production of new types of products

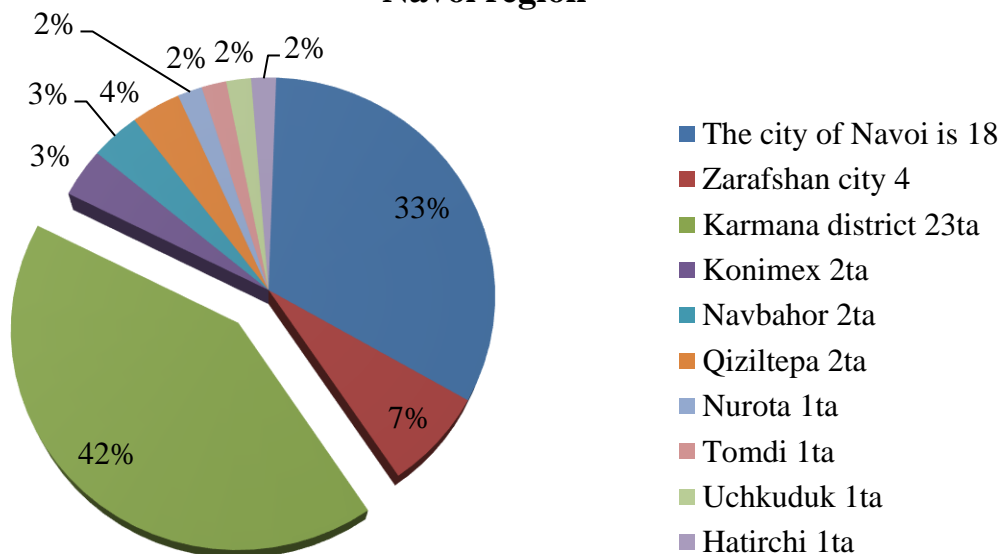
In accordance with the Law of the Republic of Uzbekistan "On Free Economic Zones" of April 25, 1996, the objectives of the ECHR are:

1. Accelerated socio-economic development of the region.
2. Attracting foreign capital for this purpose.
3. Involvement of promising technologies.
4. Involve management experience.

Today, there are 14 free economic zones in the country, some of which are more active. In particular, in Navoi, Angren, Jizzakh, Urgut, Gijduvan, Kokand and Hazarasp free economic zones, 62 projects worth \$ 486 million have been implemented. More than 4,600 jobs have been created.

It was established by the Decree of the First President of the Republic of Uzbekistan Islam Abduganievich Karimov dated December 2, 2008 No. PF-4059 "On the establishment of the Navoi Free Industrial and Economic Zone". Navoi Free Economic Zone is located on a 500-hectare plot of land in Karmana district of Navoi region. As of 2016, the number of modern enterprises with foreign investment in Navoi region is 55.

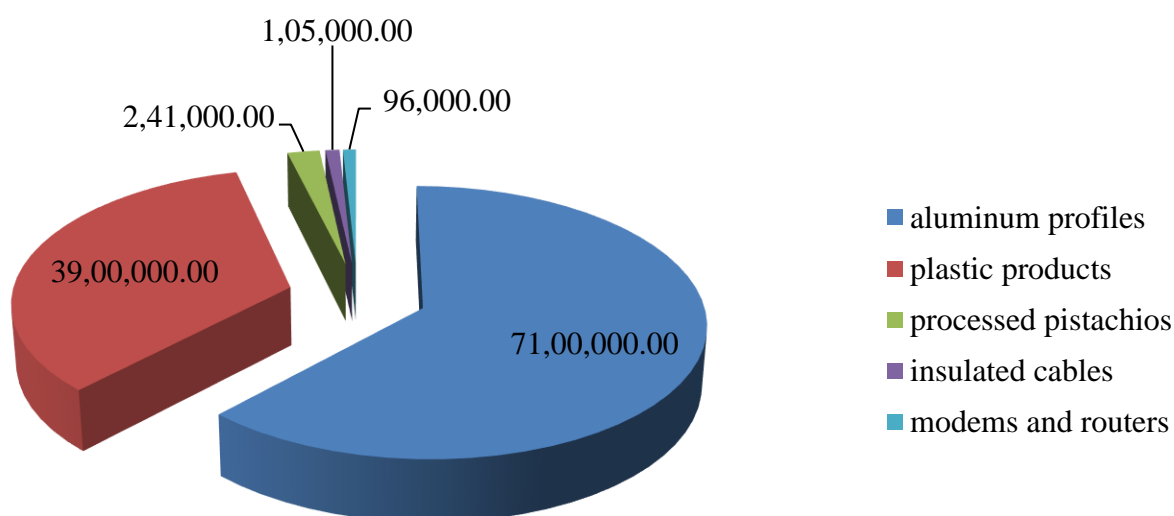
Modern enterprises with foreign investment in Navoi region



Of these, 18 in Navoi, 4 in Zarafshan and Karmana district

There are 23 modern enterprises with foreign investment, including 18 in the Navoi free economic zone, 2 in Konimex, Navbahor and Kyzyltepa districts, and 1 in Nurata, Tomdi, Uchkuduk and Khatirchi districts.

Export value of Navoi free economic zones (in US dollars)



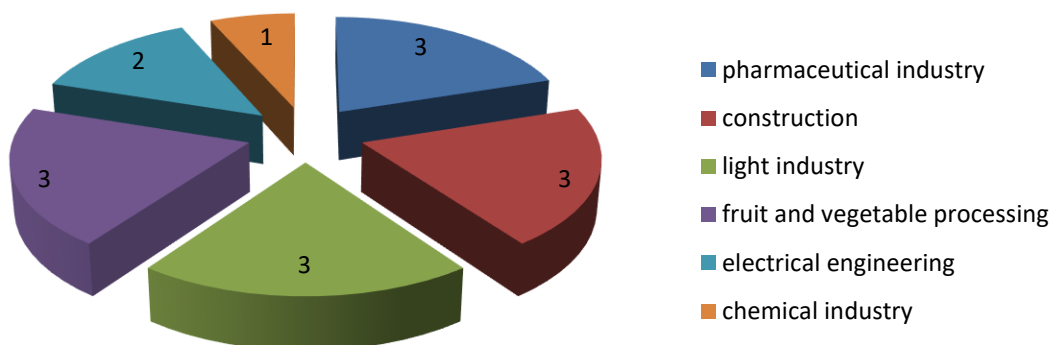
It was established on the basis of the Decree of the First President of the Republic of Uzbekistan Islam Karimov dated March 23, 2013 "On the establishment of the Jizzakh Special Industrial Zone." 19 modern enterprises of Jizzakh free economic zones have been launched. In the free economic zone in the city of Jizzakh, 14 projects were implemented on an area of 363.7 hectares, 5 projects on an area of 150 hectares of the Syrdarya regional branch, and more than a thousand new jobs were created at enterprises. Currently, in the free economic zone in Jizzakh, various industries such as brake pads for cars and trucks, TVs, air conditioners, refrigerators, washing machines, microwave ovens, LED lamps, polypropylene wires, video and IP telephones, telecommunications equipment, Internet speed boosters products are being produced.

In accordance with the Decree of the First President of the Republic of Uzbekistan Islam Abduganievich Karimov dated April 13, 2013 "On the establishment of the Angren Special Industrial Zone" and the President of the

Republic of Uzbekistan Shabvkot Mirziyoyev dated October 26, 2016 Angren "free economic zone and expanded its opportunities and benefits. At present, the following manufacturing enterprises operate in the Angren Free Economic Zone. The company "Poly Technology" produces conveyor belts, agricultural machinery and tires. With the commissioning of the Angren sugar plant, it is possible to produce 300,000 tons of finished products a year. The Angren Pipe Plant specializes in the production of 8,000 tons of copper per year for electrical engineering, chemical sabotage, and various sectors of the economy.

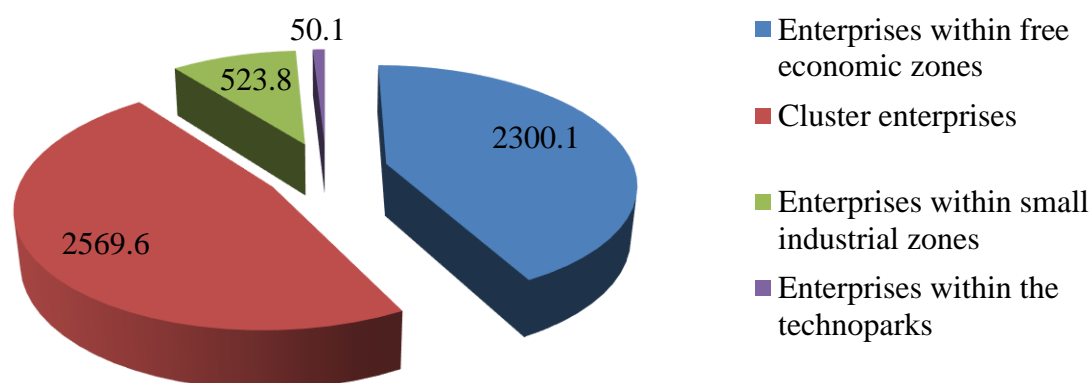
According to the Decree of the President of the Republic of Uzbekistan Shabvkot Mirziyoyev No. PF-4931 dated January 12, 2017, the free economic zones "Urgut", "Gijduvon", "Kokand" and "Hazarasp" were established.

Types of free economic zones by activity



It is planned to build 3 pharmaceutical, 3 construction, 3 light industry and footwear, 1 chemical, 2 electrical products, 3 fruit and vegetable processing and food processing enterprises in the free economic zones.

In January-March 2020, the volume of industrial production by free economic zones, small industrial zones, technoparks and clusters, bln. sum



CONCLUSIONS AND SUGGESTIONS

In short, free economic zones are one of the most important drivers of the country's economy. World experience shows that one of the important factors in stabilizing the country's economy is to attract foreign investment. In attracting foreign direct capital in Uzbekistan, we need to pay attention to the following factors:

- Further simplification of the tax system, ie reducing the tax burden;
- improvement of monetary policy;
- creation of a favorable geographical area and uninterrupted supply of electricity and gas;
- development of the logistics system;

- Extension of various tax and financial benefits.

However, the placement of projects in free economic zones without clear calculations leads to the provision of artificial preferences for certain activities, which, in turn, leads to a deterioration of the competitive environment in the market.

In conclusion, the "Free Economic Zones" and "open door policy" of the People's Republic of China can be a good example and experience for Uzbekistan.

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